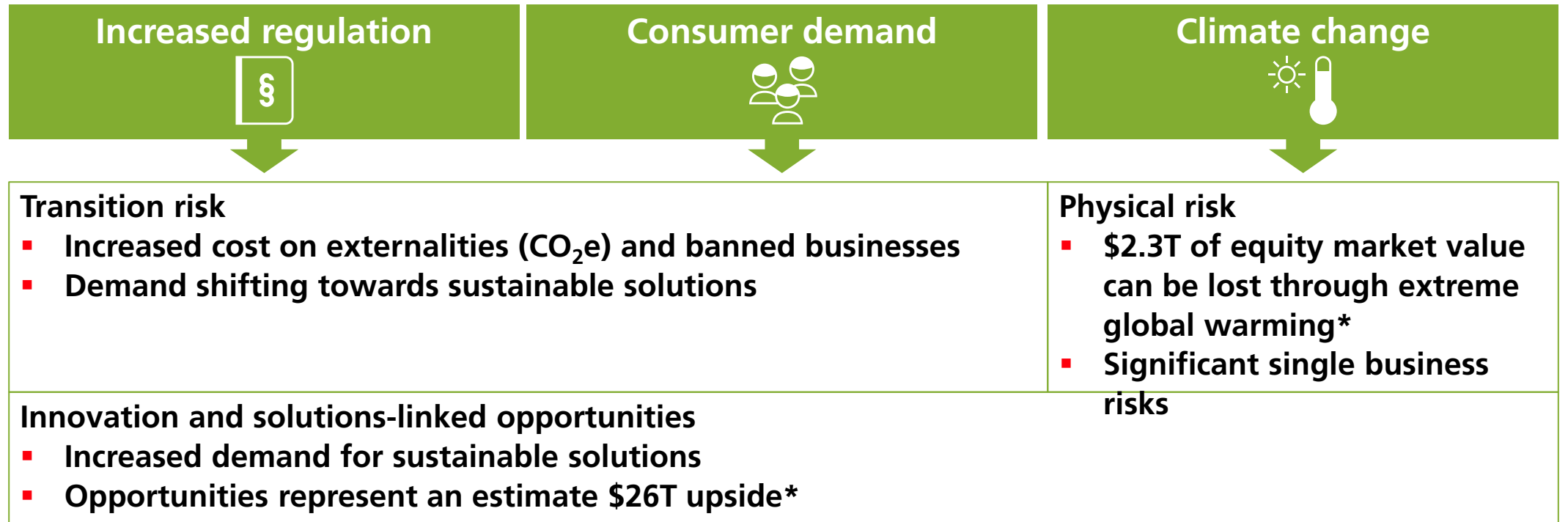




Climate Strategy at Swisscanto

Fabio Pellizzari, Head of ESG Strategy & Development
Zürich, 5. November 2020

Cost of pollution will increase, some businesses to disappear



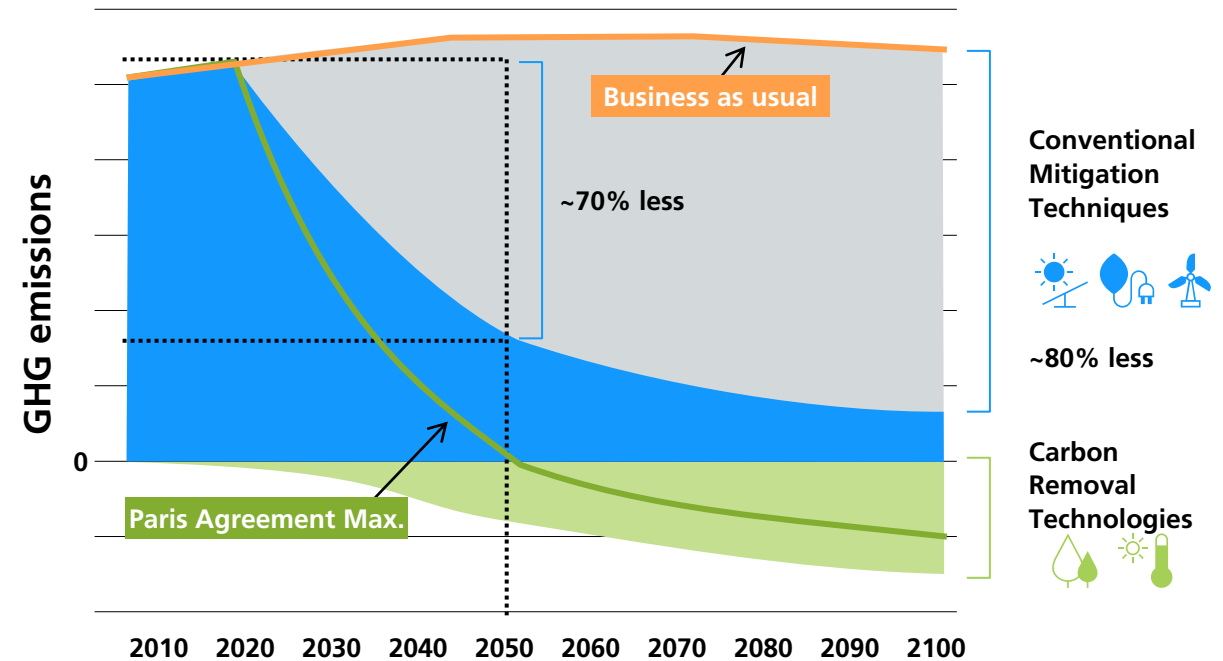
Swisscanto is positively positioned towards transition and physical risks through its climate strategy

* UNPRI MSCI (2019)

Time is running out and the private sector needs to do it's part

Status Quo

- To achieve Paris Agreement targets of carbon (CO₂e) neutrality by 2050, the private sector needs to play its part as individual country targets may not be sufficient
- Temperature levels are currently approx. 1.1°C above pre-industrial levels (1850–1900)
- IPCC estimates carbon budget at 1090Gt CO₂e for 66% chance to limit increase to 2°
 - 15–20 years at current rate
- Carbon budget = area under the Paris Agreement Max. line
- Plan is to be CO₂e neutral by 2050
 - 4% annualized for 30 years to reach a 70% decrease

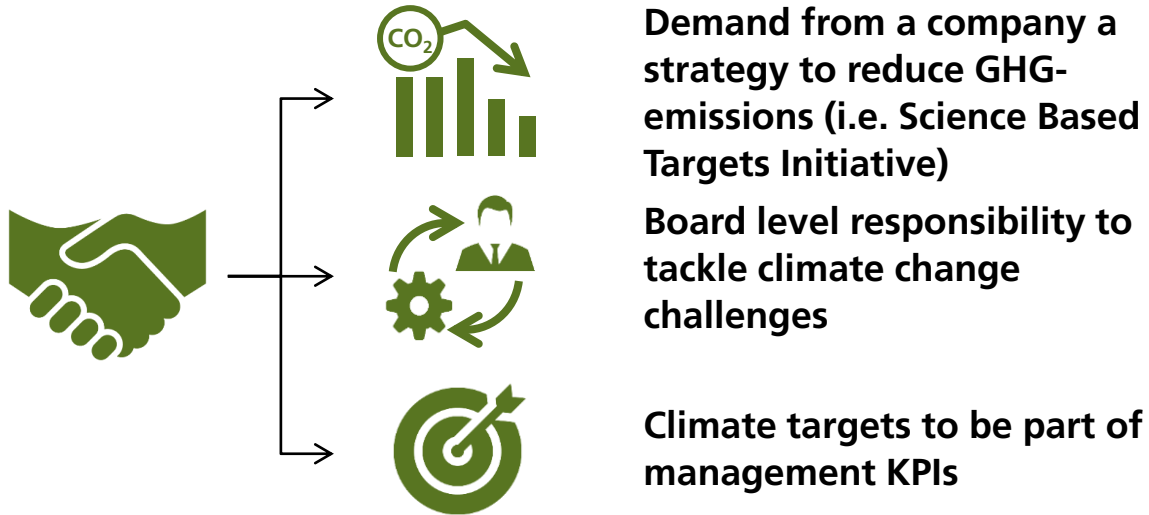


Swisscanto is the first Swiss asset manager to commit thoroughly to the Paris agree and apply Science Based Targets systematically through entire active offering

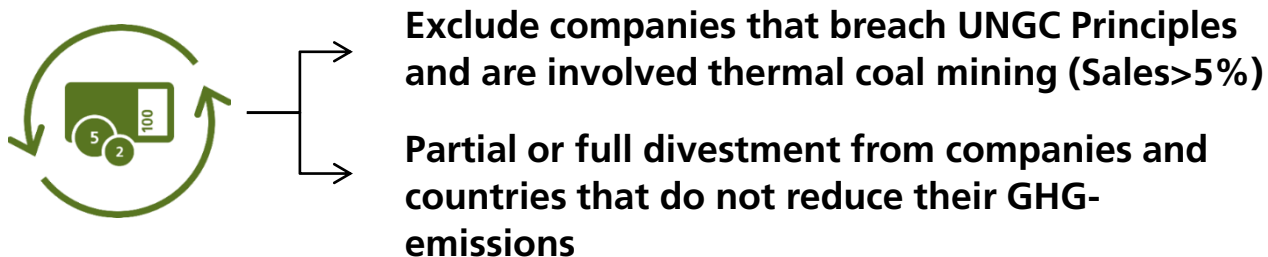


Swisscanto's instruments to implement our climate strategy

Voting & Engagement



Capital Allocation

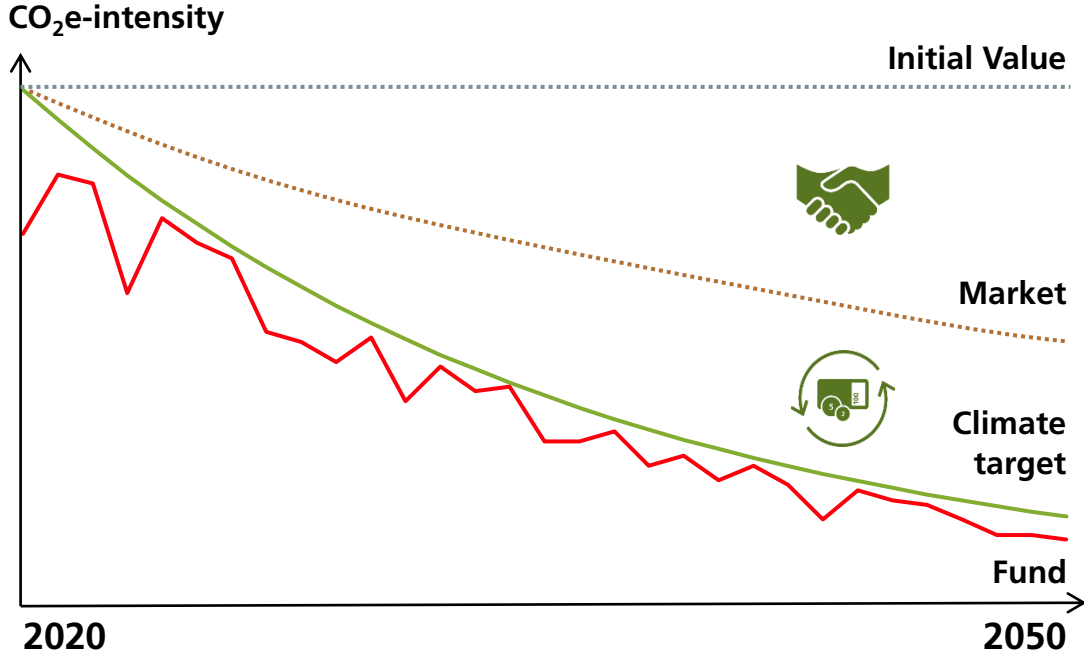


- Implement a strong governance framework articulating the board's accountability and oversight of climate risks and opportunities
- Take action to reduce greenhouse gas emissions across the value chain in line with the Paris Agreement
- Provide enhanced corporate disclosure in line with the final recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)



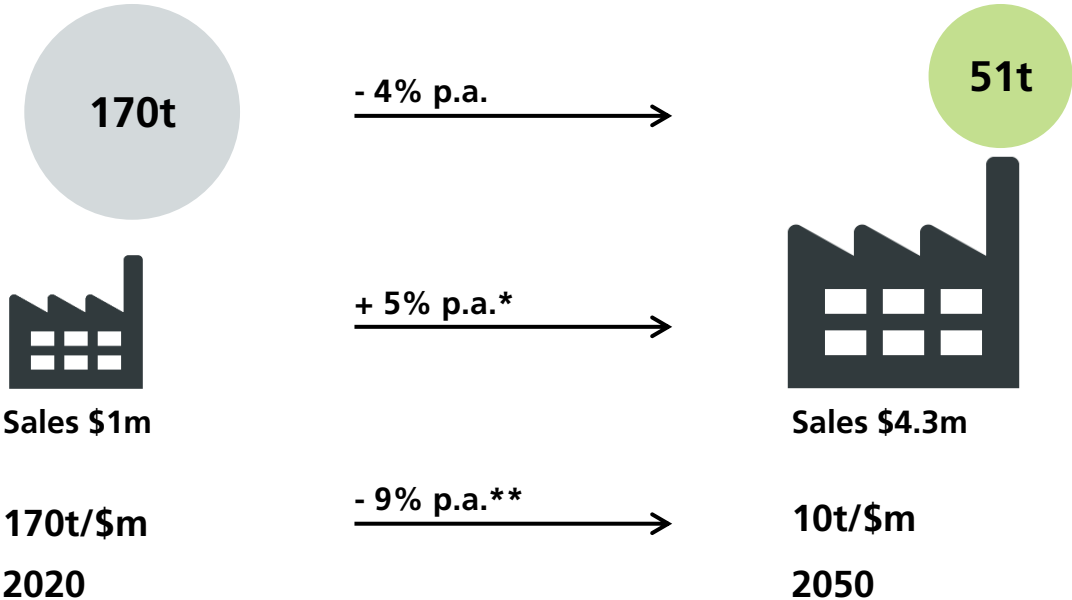
Swisscanto active funds have a maximum Carbon intensity in line with the Paris Agreement targets

With commitment & capital allocation to the climate target



Assumption: G = 5%, Model Portfolio fulfills the Swisscanto climate strategy, Model Global BM achieves an annual CI reduction of 1.75%. This figure was extrapolated from the reduction actually achieved in the period 2007–2016 (Global CO₂ / Global GDP).

Absolute CO₂e reduction target 4% p.a.



* Assumption: Nominal GDP growth (G) = 5%
 ** $1 - [(1-4\%)/(1+5\%)] = 8.57\%$



Swisscanto
Invest

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